

MB 06-121

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Federal Communications Commission  
Office of the Secretary

**SILVERMAN  
COMMUNICATIONS**

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TESTIMONY OF FRED SILVERMAN  
NOVEMBER 21, 2006

My name is Fred Silverman. I have been a documentary filmmaker for over twenty years. My work has appeared on many broadcast and cable networks. I am here to address the impact of deregulation on my colleagues and myself.

From 1977 – 1979 I worked with the Office of Communications at the United Church of Christ. At the time, Charles Ferris headed the FCC and was one of the earliest proponents of deregulation. He believed it would foster diversity and assist the new cable industry and other burgeoning technologies of that time. What he failed to realize is that technology does not foster diversity. It is the economics and politics that surround that technology that will foster diversity. His deregulation allowed existing companies to control much of the new technologies there by squelching any true diversity or innovation.

Twenty-five years later and this consolidation has decimated my profession. Independent producers and independent voices are rarely heard in today's media landscape. The 1996 deregulation resulted in immense consolidation -- where we have many outlets, we now have far fewer. Though there are more channels, those channels are all owned by the same few companies. This consolidation has resulted in paying less for their product. As a result, the budgets we receive for our programs are a fraction of what they were only ten years ago and our incomes are barely enough to survive on. We can no longer afford to do what we love. We are being replaced by factories – media sweatshops that can produce hundreds of hours and programming by exploiting interns and college students. These programs are not independent voices but homogenized product that fits well into the corporate landscape.

When documentaries and other fact-based programs are done on the cheap, the result can be content that is misleading. The funds needed to fact check or get

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accurate material is simply not there. When the History channel or Discovery present a fact-based program, the facts are not always accurate. The images used are often false. This is not some malicious effort to mislead but simply a matter of the new economics. Why pay for a quality program when you can get an inferior one for a fraction of the cost. Only a few will recognize the inaccuracies but our society suffers. These programs are used in classrooms and become, in many cases, the final word on an historical event or a current social concern. The result is revisionism of fact based on economic expediency. A condition caused by the near monopolistic control exerted by a handful of media corporations.

The public interest standard of 1934 has been replaced with today's corporate interest standard. The actions of the FCC and Congress seem more concerned with corporate profitability than the needs of the public and requirements of a democracy. I fear that the monster you have created may be far too powerful to be contained by any legislative action you so deem.

However, I do urge you to act quickly to not only cease future deregulation but also to roll back provisions of the 1996 Act. We are seeing far too many examples of demagoguery and lies parading as truth. Where self-serving corporate agendas are the new norm. Without honest diversity and a free flow of ideas, there can be no democracy.

Thank you.

Good evening. My name is Mindy Berman and I'm the communications director for 1199SEIU in the Hudson Valley and Capital Region. 1199SEIU, with more than 300,000 members, is the largest union of healthcare workers on the east coast. I am here on behalf of those members today. Those members whose vital work, whose struggles, whose courage, deserves to be heard about – known by the public.

Welcome commissioner(s). Thank-you to the folks at Northeast Citizens for Responsible Media for inviting us here tonight and thanks to Congressman Hinchey for holding this important hearing.

I am also grateful to so many of the good men and women who work in media – newspapers, radio, TV, magazines –in our area. From publishers to editors to reporters to the folks in advertising, I have the opportunity everyday to work with some very smart, sensitive and enlightened individuals. The problems we face, all of us, are much bigger than us, however. And, we can all do better.

Briefly, I want to speak to 2 issues. The first is how health care issues are portrayed in the news and the second is how labor unions and their members, your family, friends and neighbors, by the way, are portrayed in the news.

Next week in New York, a state-appointed panel will deliver their decisions about which hospitals and nursing homes will be restructured and/or closed. Just the mention of this kind of change is scary to so many of us who use health care services in rural communities upstate –and to all healthcare workers who are wondering if they will have job in 2007. But I am not here to discuss the pros and cons of this commission or its decisions. I am here because I am concerned about how the media will cover this news.

These are complicated issues and complex decisions. To come up with the best possible solutions to dealing with and implementing the commission's recommendations, the public must be made aware of the problems, (that are not simply black and white, just as our TV viewing and are newspapers photos are rarely black and white today) Everyone needs to know the different available solutions. To come up with the best possible healthcare system requires that the issues be considered from all sides. Our concern is that if the media is under the control of only a few corporate entities –only the narrowest of issues will be presented— and that's a disservice to all of us. On a macro level, these sorts of changes in healthcare delivery are occurring all across the country and the public has a right to know and to understand.

Labor unions. Let me tell you a true story. More than 100 1199SEIU nursing home workers, who were earning less than \$7.10 an hour, were on strike for 2 days in Albany last year. They were striking because the caregivers were making such poor wages, that the home is constantly understaffed and the employees are overworked and fatigued. That's not a safe environment for residents and the workers wanted the public to know. The nursing home is located immediately next door to a network affiliated TV station. I mean immediately next door. We watched the news cars and trucks come and go in the parking lot. They didn't cover the story. Some of the union operating engineers came over and stood with us in solidarity. We said, "what going on over there?" They said, "it's too sensitive of an issue, we're in labor negotiations here, they are not going to report this story."

Now I know that local TV broadcasters are supposed to serve the public interest. But here's an example where they ignored an important local issue. And we're concerned that as local stations get

bought up by big, national corporations with centralized operations, they will become even less accountable to the communities they serve.

One final note: I know of one journalist in the whole state who works what was once known as the labor beat. Today, labor issues are covered on the business pages. And to a very large extent are framed as business issues and reflect the perspective of business. In the healthcare industry, while business is talking about the bottom line, healthcare workers are talking about preserving and improving quality care. That message needs to get out there.

Commissioners, we need more information, not less, we need more diversity, not less – we need less consolidation.

Mindy Berman  
Communications Director  
1199SEIU Hudson Valley/Capital Region  
11/21/06

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GOOD EVENING. MY NAME IS CHUCK BENFER AND I AM THE  
MARKET MANAGER FOR CUMULUS BROADCASTING IN  
POUGHKEEPSIE. I OVERSEE THE DAY TO DAY OPERATION OF AN  
11 STATION CLUSTER. WE EMPLOY 120 PEOPLE, 85 FULL TIME  
AND 35 PART TIME.

IN MY CAREER I HAVE WORKED FOR OWNERS AT MANY  
LEVELS, FROM A SMALL 2 STATION OPERATION TO THE  
LARGEST RADIO ONLY COMPANY IN AMERICA, BEING  
CUMULUS. IN MY EXPERIENCE I HAVE TO SAY THAT  
OPERATING AS PART OF A LARGE CORPORATION DOES NOT  
NECESSARILY MEAN THAT WE LOSE OUR TIES AND  
COMMITMENT TO THE COMMUNITIES WE SERVE. WPDH, FOR  
EXAMPLE, HAS BEEN FOR MANY YEARS AND CONTINUES TO BE  
THE LEAD ALERT STATION IN THE EMERGENCY ALERT SYSTEM.  
WE ARE ALSO A LEAD STATION FOR AMBER ALERTS AS WELL  
AS EMERGENCY ENERGY SERVICE INTERRUPTION  
INFORMATION FROM CENTRAL HUDSON, ORANGE AND  
ROCKLAND, DYNERGY AND INDIAN POINT. THE WPDH  
MORNING SHOW REGULARLY FEATURES GUESTS FROM  
POLITICS TO NOT FOR PROFITS OFFERING DIFFERING OPINIONS,

VIEW POINTS AND OPPORTUNITIES FOR DISCUSSION. OUR STATION WKNY IN KINGSTON FEATURES WEEKLY LOCAL TALK PROGRAMMING FOCUSED ON ISSUES CONCERNING THEIR SURROUNDING COMMUNITIES. EACH OF OUR STATIONS FEATURES MORNING AND AFTERNOON DRIVE HOURLY NEWS UPDATES FOCUSED ON ISSUES AND STORIES FROM AND CONCERNING THE AREA. WE ARE ALSO VERY ACTIVE SUPPORTERS OF LOCAL CHARITIES. I ENCOURAGE MY STAFF TO BE INVOLVED IN AND SUPPORT LOCAL CAUSES AND I PERSONALLY SERVE ON 5 NOT FOR PROFIT BOARDS OF DIRECTORS AND AM THE HUDSON VALLEY CHAIRMAN OF THE MARCH OF DIMES. IN THE LAST YEAR ALONE OUR STATION CLUSTER HAS HELPED NUMEROUS LOCAL NOT FOR PROFIT ORGANIZATIONS RAISE OVER \$1.5 MILLION DOLLARS FOR THEIR VARIOUS CAUSES. ADDITIONALLY WE HAVE HELPED RAISE THE LEVEL OF AWARENESS FOR THESE SAME BY RUNNING THOUSANDS OF PSA COMMERCIALS CHAMPIONING THEIR PLIGHT.

WITH REGARD TO THE CURRENT AND PROPOSED OWNERSHIP CHANGES, MY POSITION IS THAT OWNERS AND OPERATORS AT

EVERY LEVEL EITHER FAIL TO OR EFFECTIVELY SERVE THEIR  
COMMUNITIES AND THE SIZE OF THEIR COMPANY IS  
IRRELEVANT. I FIRMLY BELIEVE THAT EDITORIAL AND NEWS  
STAFF CAN AND WILL CONTINUE TO REPORT ON ISSUES AND  
THE NEWS OF THE DAY BASED ON MERIT REGARDLESS OF  
OWNERSHIP OR CROSS OWNERSHIP OPPORTUNITIES.



### **Why We Must Prevent Further Big Media Ownership**

When I was a student in grade school, I remember repeated lessons on the dangers of propaganda and how historically, governments had been able to sway masses of the public through control of the media. We were taught that both Russia and Germany had been able to control their public opinion and therefore government power through control of what information was disseminated. I remember feeling smug that nothing like that could ever happen here. In fact it was so unfathomable that I'm still finding it hard to believe that it has been happening here for as long as it has. But from 1983 to today, the ownership of media of all kinds has dwindled down to six companies. Those are: Vivendi Universal, News Corporation, AOL Time Warner, The Walt Disney Company, Viacom and Bertelsmann.

They own all manner of media: newspapers, movies, radio, DVDs, magazines, books, books on tape CDs. Most of our information is coming from six companies. Given the commercial nature of these huge conglomerates, how can we possibly be getting all the information?

The distinction between news and advertising has become increasingly blurred. I know of instances where the Pentagon produced video news releases that were aired on various TV stations as actual news reports. That is clearly spoon fed propaganda. The stations air them for a variety of reasons, but I think the main one is the financial bottom line, which news departments have become increasingly sensitive to. It fills time without the station having to pay to produce the piece. There was a time when it was assumed that the news division of the network would lose money. That's no longer tolerated and they have to be as profitable as the other divisions.

There's also a dependency relationship between corporate media journalists/reporters and state power. In order to get information, the journalist needs access. If the journalist is asking the hard questions and persisting in getting answers and then making reports critical of the subject, access begins to be denied. When access is denied to the journalist/reporter, the editors/producers have a problem because information is not available and so the journalist/reporter finds him or herself out of a job. It becomes the way in which the media is tamed and begins to produce what is acceptable to power. When the media stops speaking truth to power, power becomes unchecked.

It is even happening to NPR and PBS. They have also become commercialized by "enhanced underwriting" which means that they have commercials also. While they don't look like the commercials on regular broadcast TV, they are 60 second or longer spots extolling the virtues of the company that has underwritten the programming. And some of the companies that are doing this underwriting are some of the biggest corporations in the world. Exxon Mobil, Chevron-Texaco, Clear Channel Communications, and Wal-Mart Stores are a few of the sponsors that try to benefit in shining a tarnished image by supporting Public Broadcasting and Radio. And what programming is going to be critical of its corporate sponsor?

**Robin Seidon**

In summary, if we are supposed to own the airwaves, then why don't we have more control over what goes on them? How is it that six companies control what's seen, heard and read in the media? And why would the FCC want to relax already generous rules for the corporate media? What are we, the American People getting out of this?

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November, 21, 2006

The Federal Communications Commission  
445 12th Street SW  
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Chairman Kevin J Martin  
Commissioners: Michael J. Copps, Jonathan S. Adelstein, Deborah Taylor Tate and  
Robert M. McDowell

**Public Hearing on Media Ownership Hyde Park, NY Tuesday November 21 2006**

**Northern NJ is Underserved by the Broadcast Media**

I am from northern NJ where further media consolidation will make worse the current absence of local news on radio and television. We need our government, the FCC, to make policy that will promote a wider choice of local news and cultural programming. The economy of scale that benefits the large news services and their bottom lines does nothing for our culture, our local economy, our tax base or our need of quality (and quantity) information regarding the actions of our local government and to discover local culture. Right now the only way to get local information is through the print media which is better than nothing but requires dedicated consumption- reading- rather than listening to a radio show which allows busy people to hear while driving or working. Also, if promoted by our government's policies, it would be possible for a small business to start up a local radio station.

Eclipsed by the huge media market of the NY metro area the news of Northern NJ has to compete with the NYC metro area, Long Island and Westchester for the time on television and radio devoted to local news.

Our local businesses have to advertise in this expensive media market and we become less informed of our local shopping, dining and leisure activities.

NJ has a flourishing music scene if we had more local programming local bands could be featured and promoted perhaps to a national level. It could promote better music through the mechanism of people voting with attention and pocketbooks rather than a national corporate play list. The excitement generated by this competitive system has been somewhat reproduced by Network TV shows like "American Idol" but this show has a canned and slick feel that could be much improved by a system of local artist promotion in a free market capitalist type atmosphere rather than the corporately controlled

competition style of 'American Idol'

I am suggesting that as citizens we are missing out culturally. We are also missing out in a good understanding about how our local governments work. How often does everyone complain about taxes? We need accurate information to know if there is a problem. To find out requires a huge amount of independent research since we are not served well by our media. Lack of news equals lack of transparency and oversight by an informed population. Our local government officials operate in virtual secrecy for lack of local news coverage.

The American people recently reacted to reported corruption on the part of our national government officials at the polls. The American people "cleaned house". We need to have similar information to keep our local officials in check; good governance is in the best interest of our nation. I encourage the FCC to promote better media policy for local news.

The below is a specific example of poor government actions happening with little scrutiny due to lack of publicity and media attention:

### **Essex Freeholder Watch**

The story that follows would have had a different outcome if the story had some broadcast attention.

In 2005 Essex County began shopping for new voting machines. A group of concerned citizens started to research the machines that were on the market hoping to influence the Essex County Freeholders to buy the most reliable best designed and paper trail ready machines.

After many meetings and presentations the Freeholders purchased the Sequoia voting machine with 20 year old technology, no paper trail and with no right, to our county the owners, to look at the software. This company has recently been bought by a Venezuelan company.

After this purchase that disappointed a vocal group of their constituents, and possibly many more since a lot of people missed the 3 stories in the local newspaper, Sequoia happened to be late in delivering the voting machines in time for local elections in May '06. Again we organized to try to explain to the Freeholders that this was an opportunity to get out of their bad contract with Sequoia and buy another paper trail ready voting machine.

We spoke out at the public Freeholder meetings and again most citizens missed the 2 articles that appeared in the local paper. The Freeholders did not cancel the contract and we have used these machines for two election cycles now.

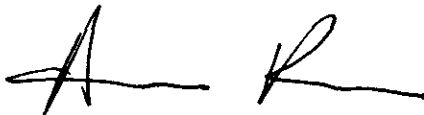
Since this event we have banded together to form the "Essex Freeholder Watch" group. Our reasoning is since this body approves county expenditures in the amount of: 11,227,000.00 Essex County tax dollars we should keep track of how they are disposing of our cash. We lost trust in them when they made a seemingly irrational decision to buy Sequoia voting machines. We wanted to know what else they were doing.

I found out from speaking to my state assembly person, that the Sequoia was actually picked by the office of our state attorney general and was somehow a "done deal" that every county in the state would buy this machine. And that the research and presentations of citizens to their elected county officials was simply a waste of time since this decision had been handed down from the state.

The above a story was of interest to people in New Jersey their government officials bought expensive and out dated machines sans paper trail. Other machines on the market have a paper trail and newer technology. Soon Federal law will require the state to update Sequoia's machines to have a paper trail so we spend more tax dollars. This story was virtually under the radar. Our government officials were free to buy any machine for what ever reasons they wanted with very little scrutiny. Few people heard the story. The FCC needs to make rules to promote more local news reporting

Thank you for your kind attention to my testimony,

Very Truly Yours,

A handwritten signature in black ink, consisting of a stylized capital 'A' followed by a capital 'R' and a horizontal line extending to the right.

Ann Rea

Julie McQuain

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I work in the media industry, but not for a media outlet. My firm specializes in media relations, publicity, in various fields. In past years we did many author tours. As a close observer of news and talk trends for 2 decades, I'm here to add that this consolidation of stations and content has public-interest implications for business and commercial speech too.

From my direct observation, the proliferation of syndicated content and consolidation of radio and TV stations into media groups that share staff, has curtailed the opportunities for local news coverage and local talk, even in large city media markets, let alone in a weird non-market like our Hudson Valley region, suspended between the Albany and NYC media markets.

In the late 80's and early 90's my colleagues and I watched in amazement the syndication of popular TV and radio shows like Howard Stern, Imus, Oprah, Regis and Donohue. Talk show host Rush Limbaugh moved like a one-man-wrecking crew across the country, eliminating local lifestyle and talk shows and displacing local personalities from Vancouver WA to New York City.

The US Labor Dept.'s Bureau of Labor Statistics validates my observation in the 2006-2007 Career Guide on Broadcasting jobs:

Changes in Federal Government regulation and communication technology have affected the broadcast industry. **The Telecommunications Act of 1996 relaxed ownership restrictions, an action that has had a tremendous impact on the industry. Instead of owning only one radio station per market, companies can now purchase up to eight radio stations in a single large market. These changes have led to a large-scale consolidation of radio stations. In some areas, five FM and three AM**

radio stations are owned by the same company and share the same offices. The ownership of commercial radio stations is increasingly concentrated. In television, owners are permitted two stations in larger markets and are restricted in the total number of stations nationwide (in terms of percent of all viewers). <http://www.bls.gov/oco/cg/cgs017.htm>

The practical effect of concentrating of ownership to chase higher profits is something to be concerned about.

After ownership relaxation in 1996, a publicist calling a local Texas station he had booked guests on just last year would encounter secretaries in several different business offices before learning that all the programming for multiple stations in that market was coming from somewhere far away. We call those stations “box-on-a-desk” stations in my shop. Don’t bother to call.

I was astonished when told by TV station WWJ, the CBS affiliate in Detroit—a top 20 media market, that they carry only network news, *no local news at all* ever since corporate parent Viacom bought CBS. They referred me to a formerly competing station, now their partner, with *the* local news operation. And what’s happened to the public affairs shows? They’re often canned too.

Sadly, cutting production and news staff to carry canned programming *is* an effective way to improve the bottom line, but it reduces local news coverage. Even traffic and weather are provided to the stations by syndicators like Shadow and Accuweather. Long gone are opportunities to discuss or promote YOUR community school, arts, political, and social issues and events.

Syndicated content and consolidated ownership increases homogeneity and contributes to loss of regional flavor and localism. It also reduces people's access to authors and newsmakers who no longer leave the major media markets to reach large national audiences.

We did a 16-city tour in 1993 for a small press author of a book about Vietnam Veterans. The local TV and radio programs afforded opportunities to many Vets and their families to share their stories with their communities. That can't happen when an author appears only on national or syndicated programs.

Look to the LA Times to see the impact on a print newsroom when making higher profits becomes a corporate owner's primary purpose.

Fewer reporters will have to cover more topics with less time to probe deeply or check facts. It's easier to simply quote an "expert" from their rolodex than do factual reporting for themselves. It's easier by far for an overworked editor on deadline to forget reporting altogether and simply run wire copy or a syndicated column.

Corporate PR departments and Publicists develop creative tools to exploit the new reality like the VNR, RNR, satellite media tours and mat releases, "rolodexing" our expert clients with opinion-leaders -- our business has changed too. Frankly, when we book a client on one of these national or syndicated shows, our audience is huge and we're very successful. If a corporate client releases a camera-ready news item extolling a new product or bylined column on a health topic, it might easily be picked up by 200-400 newspapers. When I get a wire story, I can just go home for the day. My work



is done! Maybe for the week because I can call all the newspapers back who told me they'd only cover my news via a wire story.

But as a news consumer, I worry about fewer and fewer decision-makers selecting what gets into print and on the air nationally *and locally*. We don't know their motivations. Rush Limbaugh's show is owned by Clear Channel, which also owns more than 2000 radio stations. Why wouldn't the Clear Channel stations "choose" to carry him? The economic advantage is obvious, no corporate directive needed.

It's asking a lot of a 20-30something reporter, editor or producer—who needs their job, to push back when the station owner or newspaper publisher lets employees know not to cover this story or that industry, or to 'play nice' with a local company or project. After all, they may only have the job because a more experienced, higher paid old hand was fired, or quit. The message is pretty clear.

Consolidating more stations and newspapers into fewer media groups, coupled with the lower cost and ease of using syndicated and network content, raises real concerns about who decides *what is* newsworthy, let alone how to frame coverage. This concern should apply not only to for-profit, corporate entities, but also non-profit and religious media groups, not only to daily newspapers, but also local weeklies.

If I could ask one thing of the FCC, beyond keeping the ownership rules or even rolling them back and reinstituting the fairness doctrine, it would be for some kind of whistle-blower protection. People who depend upon media

coverage of their business, candidacy, client or agency, even some here in this room, are loath to say publicly everything they know.

When a few people wield that kind of soft power in a community, it's beyond human nature to expect them to police themselves.

Submitted by  
Julie McQuain  
FCC Hearing Hyde Park, NY  
November 21, 2006

## Media Consolidation and the Environment

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Good evening, Ladies and Gentleman. My name is Manna Jo Greene; I am the Environmental Director of Hudson River Sloop Clearwater and serve as Councilwoman on Rosendale Town Board. I am also a life-long activist for peace, social justice, and environmental protection.

**War & Peace:** The most startling abuse of the media in recent history has been the appalling corporate and government led disinformation campaign, along with a national absence of serious investigative reporting, that led up to and has allowed the War in Iraq. In late 2002 a representative of the Bush administration predicted that the war in Iraq would cost \$200 billion. When I realized what \$200 billion could mean in terms of health care, education, and the implementation of alternative energy and environmental protection here at home, something inside of me snapped. UN weapons inspectors Scott Ritter and Hans Blix both agreed that there were no "Weapons of Mass Destruction." So stopped everything and went to Iraq try to prevent the war. I don't own a television, so when I watch TV, I am viewing with an unaccustomed eye. The media's beating of the war drums, bringing Ollie North out of mothballs, and other transparent propaganda stunts, horrified me. While in Iraq with over 500 international peace activists, I was interviewed by media from around the world, except from the United States, even though US reporters were well represented in the press corps stationed in Baghdad.

**Environmental Issues:** Media consolidation is fraught with dangerous implications for a wide range of environmental issues. Here are three examples in the Hudson Valley.

**Hudson River PCB Clean-up:** EPA's decision to require General Electric to remediate the 200-mile Hudson River PCB Superfund Site critically depended on diversified local, regional and national media to counter GE's massive disinformation campaign aimed at avoiding cleaning up the PCB-contaminated sediment for which it was responsible. GE's spent an estimated \$60 to \$100 million on advertising and legal fees to assure the public that PCBs were safe, that the river was cleaning itself up, and that they should not have to take responsibility for their actions. That's about 1/5 of the actual cost of the clean-up, from a company that nets \$14 billion in profit a year.

**Indian Point:** At the aging Indian Point Nuclear Power plant, Entergy is now demonstrating how much media influence a large corporation can have even WITHOUT controlling all the media. Meanwhile radioactive material is leaking into the groundwater under the plant and finding its way into the Hudson River, with very little coverage by local or regional press. To protect its earnings of \$2.3 million per day, Entergy hired Burson-Marsteller, best known for defending Union Carbide after Bhopal, who purchased carefully placed ads assuring the public that Indian Point is "safe, secure and vital." Meanwhile the Indian Point Safe Energy Coalition has been working diligently to obtain an Independent Safety Assessment of the plant, prevent relicensing, monitor the leak, and to close and decommission this unsafe nuclear power facility. Without access to a locally diverse media, this will be impossible.

**Kingston Waterfront:** Currently we are facing two development proposals totaling over 2,000 units along Kingston's last 1.5 miles of riverfront. The *Kingston Freeman* has sided with the developers and repeatedly portrays the Friends of the Kingston Waterfront (FoKW) as NIMBY, anti-development tree huggers. We, in fact, support sustainable development on this former industrial site and have actively advocated for mixed use, mixed income, traditional neighborhood design that fits within the infrastructure constraints, enhances rather than detracts from quality of life in the surrounding communities, and protects the sensitive ecological resources. Fortunately, *Ulster Publishing*, the *Poughkeepsie Journal*, *RNN*, and others have adhered to the journalistic tradition of presenting all sides, and the City Planners, availing themselves of variety of sources, are listening.

**Equity Funds:** The problem of media consolidation is exacerbated by the legal concealment of individual ownership in equity funds, such as those now vying to purchase Clear Channel, who already owns much of the media in the Hudson Valley. In closing, I ask you to ask yourself:

- What if GE directly or indirectly controlled the media in the Hudson Valley?
- What if Entergy had a controlling interest in the regional media in the greater NY metropolitan area?
- What if the *Kingston Freeman*, who totally misrepresented community and environmental groups trying to improve the project, was the only media viewpoint in the Kingston Waterfront developments proposed for AVR's Landing and for Sailor's Cove?

If you care about the viability of our democracy and our environment, I am sure you will defeat the proposed changes to the media ownership rules, will support Congressman Hinchey's media reform initiatives, ultimately restore the Fairness Doctrine and equal time principle, and work to restore the public's ability to revoke corporate charters that violate the public good. Thank you for coming to the Hudson Valley to hear our concerns.

## Media Consolidation and the Environment

Good evening, Ladies and Gentleman. My name is Manna Jo Greene and I am the Environmental Director of Hudson River Sloop Clearwater, Editor of the *Hudson Valley GREEN Times*, and serve as Councilwoman on Rosendale Town Board, across the river. I am also a life-long activist for peace, civil rights and social justice, and environmental protection.

**War & Peace:** The most startling abuse of the media in recent history has been the appalling corporate and government led disinformation campaign, along with a national absence of serious investigative reporting, that led up to and has allowed the travesty in Iraq. In late 2002, just before the war started, I heard a representative of the Bush administration project the cost of the war in Iraq to be \$200 billion (you may remember, White House aide Lawrence Lindsey who was fired for leaking this projection to Congress and the public who need reliable information to make informed decisions). When I heard the estimated cost and realized what \$200 billion could mean in terms of health care, education, and the implementation of alternative energy and environmental protection here at home, something inside of me snapped. Hearing this, I felt my country had gone stark raving mad and was about to make an unforgivable mistake. Retired US Marine and former UN weapons inspector in Iraq for more than 10 year, Scott Ritter, and then Chief UN Weapons Inspector Hans Blix both agreed that there were no "Weapons of Mass Destruction" and that the inspections should be allowed to continue. Drastic times require dramatic actions. In February 2003, I stopped everything I was doing at Clearwater, on my town Environmental Commission, and in other arenas, and went to Iraq try to prevent the war with Kathy Kelly's Iraq Peace Team. I haven't owned a television set in over ten years, so when I watch TV I am viewing with an unaccustomed eye. The media's beating of the war drums, bringing Ollie North out of mothballs, and other transparent propaganda stunts, horrified me. While I was in Iraq with over 500 international peace activists, were interviewed by media from around the world, except from the United States, even though US reporters were well represented in the press corps stationed in Baghdad. As it turns out, the war in Iraq, which is illegal under both the UN Charter and the Geneva Convention, has now far exceeded Lindsey's predictions. Currently, the Defense Department estimates it's spending about \$4.5 billion a month on the conflict in Iraq, or about \$100,000 per minute.<sup>1</sup>

**Environmental Issues:** Media consolidation is fraught with dangerous implications for a wide range of environmental issues. For one thing, the national media tends to focus on sensational topics such as Jon Benet abduction or the OJ Simpson murder trial. As Robert Kennedy noted recently, "We know more about Brad Pitt than we do about global warming." I will now cite three brief examples from my own experience related to media consolidation and the environment in the Hudson Valley:

**Hudson River PCB Clean-up:** The remediation of the 200-mile Hudson River PCB Superfund Site critically depended on diversified local, regional and national media to get the story out to counter General Electric's massive disinformation campaign to avoid cleaning up PCB-contaminated sediment resulting from 1.3 million pounds of PCBs they had discharged or allowed to leak into the Hudson River. In the year prior to EPA's announcement by Christie Whitman to require GE to clean up the 40 miles of hotspots in the upper Hudson, Clearwater beefed up its staff from two to five, spending an additional \$30,000, compared with GE's spending of an estimated \$60 to \$100 million on advertising and legal fees to assure the public that PCBs were safe, that the river was cleaning itself up, and that they should not have to take responsibility for their actions. \$100 million in corporate propaganda is equal to approximately 1/5 of the half billion dollar actual cost of the impending six year clean-up, from a company that nets \$14 billion in profit a year. Clearwater and our sister organizations in the Friends of a Clean Hudson coalition, hit the streets with the facts, produced a video and went to hundreds of meetings to obtain 69 municipal resolutions and 75% of public comment in support of the remediation. This could never have happened in the media environment that will result from the currently proposed FCC's rule changes.

**Indian Point:** The parallels between the PCB story and the current situation at the aging, leaking Indian Point Nuclear Power plant are stunning. Entergy is now demonstrating how much media influence a large corporation can have even WITHOUT controlling all the media. Meanwhile radioactive material is leaking into the groundwater under the plant and finding its way into the Hudson River, with very little coverage of the issue by local or regional press. To protect their current earnings of an estimated \$2.3 million per day, Entergy hired PR powerhouse Burson-Marsteller, best

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<sup>1</sup> Mark Mazzetti and Joel Havemann, *Los Angeles Times*, February 3, 2006.

known for defending Union Carbide after Bhopal, as well as human rights violations by totalitarian regimes around the world (not to mention defeating two union organizing campaigns at Benedictine Hospital in Kingston, in which I participated in a leadership role).

Here are a few examples of deceptive strategies and misinformation they are using at Indian Point:

- 1) NY Yankee ads on radio, assuring the public that Indian Point is "safe, secure and vital."
- 2) Misleading ads on the *Journal News* website opposite where all the letters to the editor are placed.
- 3) Regular full page ads in local weekly newspapers, such as *Rivertowns Enterprise*.

Meanwhile the Indian Point Safe Energy Coalition (IPSEC) has been working to obtain an Independent Safety Assessment of the plant, prevent relicensing, monitor the leak, and to close and decommission this unsafe facility to protect public health and safety in the Greater NY Metropolitan and surrounding areas once and for all. Without access to a locally diverse media, this will be impossible. Without access to a wide range of information, how will the public and our elected officials even understand the debate?

**Kingston Waterfront:** Currently we are facing two large development proposals totaling over 2,000 units along Kingston's last 1.5 miles of riverfront. The local paper, the *Kingston Freeman*, has sided with the developers and repeatedly portrays Scenic Hudson and its allies in the Friends of the Kingston Waterfront (FoKW) as NIMBY, anti-development tree huggers. The fact is that we acknowledge that this former industrial site could support about 600 units, and have actively advocated for sustainable mixed use, mixed income, tradition neighborhood development that fits within the ecological carrying capacity and infrastructure constraints of sewage and traffic, that enhances rather than detracts from quality of life in the surrounding communities of Ponchockie, North Street and East Kingston, while protecting the sensitive Delaware Forest on the ridge above, the karst aquifer below the site, and the sensitive submerged aquatic vegetation (SAV) along the shoreline. Fortunately, *Ulster Publishing*, the *Poughkeepsie Journal*, *RNN*, and other area media have been adhered to the journalistic tradition of presenting all sides, and the City Planners, availing themselves of variety of sources, are listening.

**Equity Funds:** The problem of concentrated media ownership is further complicated by private equity firms, such as those now vying to purchase Clear Channel, who already owns much of the media in the Hudson Valley, including WGHQ, where I hosted a "Recycling Hotline and Environment" weekly talk show for five years, with Orvil Norman. Since the problem of media consolidation is exacerbated by the legal concealment of individual ownership in equity funds, the proposed Media Reform Act and other federal regulatory procedures must require full disclosure of equity fund membership, to ensure accurate accounting for the proper enforcement of existing proposed laws and regulations.

In closing, I ask you to ask yourself:

- What if GE directly or indirectly controlled the media in the Hudson Valley?
- What if Entergy had a controlling interest in the regional media in the greater NY metropolitan area?
- What if the *Kingston Freeman*, who totally misrepresented community and environmental groups trying to improve the project, was the only media viewpoint in the Kingston Waterfront developments proposed for AVR's Landing and for Sailor's Cove?

If you care about the viability of our democracy and our environment, I am sure you will defeat the proposed changes to the media ownership rules, will support Congressman Hinchey's media reform initiatives, ultimately restore the Fairness Doctrine and equal time principle, and ultimately work to restore the public's ability to revoke corporate charters that violate the public good.

Thank you for coming to the Hudson Valley to hear our concerns. For your information, I have attached two articles from environmental colleagues, Lisa Rainwater van Suntum of Riverkeeper, and environmental attorney, Steve Filler, who also serves on the Clearwater Board.

Sincerely,

*Manna Jo Greene*

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# **(Un)Safe, (Un)Secure, and (Not)Vital: Marketing a Nuclear Power Plant**

Topics: public relations | nuclear power

*by Lisa Rainwater van Suntum, Riverkeeper*

Since al Qaeda terrorists commandeered two jumbo jets into the World Trade Center on September 11, 2001, New York City has been on high alert. On any given day, residents and tourists alike see armed military personnel patrolling subway stations, notable landmarks and the City's financial district. While visitors to New York City may feel as if they've entered a war zone, the solemn military personnel make many who call New York home feel at least a bit safer since the towers fell.

In the months following the attacks, New York City officials attempted to draw visitors back to the Big Apple. The city was declared safe and secure; tourists were deemed vital to the City's economic recovery. After the initial fear and shock subsided, throngs of Americans from across the country have made their own pilgrimage to the World Trade Center site to honor the victims of the attacks and their families and to denounce the psychological reign of terror brought on by those who engage in violence.

What few visitors to the city realize, however, is that armed military guards standing at attention in Times Square are incapable of protecting the city from arguably the greatest terrorist threat to the region if not the country: the Indian Point nuclear power plant, located on the banks of the Hudson River 35 miles north of Midtown Manhattan.

Since 9/11, a movement to shut down Indian Point has evolved into a massive citizen-driven, bi-partisan effort to protect the region. To date, more than 70 local, regional and national organizations are working with more than 400 elected Republicans and Democrats to rid the area of this unpopular and unneeded nuclear power plant. While experts maintain that the plant is a safety and security risk, Entergy Nuclear Northeast - the owner and operator of the plant - has creatively co-opted city officials' words as its own. "Safe, Secure, Vital" has become the company's disingenuous mantra.

At the center of the Indian Point debate is a battle of words and images, much of which plays out in the New York metropolitan court of public opinion. With guidance from the global public relations firm Burson-Marsteller, Entergy has spearheaded an aggressive, misleading and expensive campaign to save the plant from being shut down.

## **The Fight to Close Indian Point**

Due to its proximity to the world's financial center and the severe consequences to public health, the environment and the economy that would result from a major accident or terrorist attack, Indian Point is a nuclear power plant that deserves special attention. Twenty million people live within a 50-mile radius of the plant-the highest population density within 50 miles of any nuclear power plant in the United States. A terrorist attack on either of Indian Point's two reactors or their spent fuel pools, or a large-scale accident, could render much of the tri-state area uninhabitable and indefinitely contaminate the watershed that supplies drinking water to nine million people in the region. That the plant sits atop an active fault line, daily destroys significant amounts of Hudson River aquatic life and has abysmal security, operations and safety records only compounds the arguments for closure.

Leading the drive to shut down Indian Point is my organization, Riverkeeper, a New York environmental watchdog group that works to protect the Hudson River from polluters. Working in conjunction with the

Indian Point Safe Energy Coalition - an alliance of over 70 environmental, civic, health and public policy groups - Riverkeeper has sustained a hard-hitting campaign against Entergy for over three years.

As is the case with many grassroots movements that oppose a corporate entity, much of the fight is over public opinion. And like many corporations that find themselves under intense public scrutiny, Entergy has turned to a corporate-friendly PR powerhouse to wage its battle: Burson-Marsteller, best known for greenwashing the Union Carbide Bhopal accident in India and for whitewashing human rights violations by totalitarian regimes across the globe. With an expansive war chest, B-M has assisted Entergy in developing a multifaceted disinformation campaign that not only misrepresents the facts but also pits communities against each other and instills economic fears in those who are already suffering from a poor economy.

## Entergy's Spin Machine

Entergy and Burson-Marsteller have implemented nearly every type of corporate PR and marketing to curry favor with elected officials and their constituents. They have invested heavily in radio, television and print advertising. They have also spent substantial time and energy creating a chimera of community support, including a phony "grassroots" base, a business coalition and free advertising gimmicks typically associated with grassroots movements such as yard signs, bumper stickers, refrigerator magnets and lapel pins. In addition, Entergy hired New York's 9/11 hero, Rudolph Giuliani, as a paid security consultant, despite his lack of expertise in nuclear power plant security. Most recently, Entergy was awarded the first-ever Edison Electric Institute's Advocacy Excellence Award, begging the question: Who came up with the idea and why has it taken so long to create such an award, considering electricity has been around for over a century?

Just how much money Entergy has invested in public relations is unknown, but their apparent close attention to PR instead of safety and security issues has drawn ire from many elected officials, including Westchester County Executive Andy Spano, in whose county the plant operates. When it was discovered that Indian Point's emergency sirens do not rotate properly, Spano declared, "If [Entergy] can advertise on the Yankee games, they have the money to fix the goddamn sirens."

Indeed, one of the biggest hurdles Riverkeeper and anti-Indian Point advocates have faced in their three-year campaign is Entergy's seemingly limitless budget. As *PR Watch*'s John Stauber and Sheldon Rampton wryly note in their 1995 book *Toxic Sludge is Good for You*, "The polluter will always be able to outspend and outgun the environmentalists, and can bring virtually an unlimited amount of propaganda and lobby power to an issue, simply by writing a larger check or reaching out to other businesses similarly threatened by reform."

Politicking is also a large part of Entergy's efforts. A 2003 report by Common Cause/NY found that the company spent a grand total of \$3,498,315 on campaign contributions and lobbying on the New York local, New York state and federal levels from 1999 to 2003.

Whether the target audience is community members, local businesses or elected officials, Entergy's message has focused on three ideas: safety, security and energy reliability. Attempting to confuse, if not control, public opinion on the areas where it is most vulnerable, Entergy has run a series of ads that suggest a reality in stark opposition to the assessments made by environmental, security and energy experts:

**Safety:** A full-page ad in the April 16, 2002 *New York Times* called "Why safety is synonymous with Indian Point Energy Center" features a father walking hand-in-hand with his toddler son, while their Labrador retriever accompanies them on a nature walk. This pastoral image appears as an attempt to divert parents' concerns away from Indian Point's abominable safety record spanning three decades to the beauty of the Hudson Valley.

What Entergy doesn't want the public to know is how many safety problems have plagued the two reactors since they went online in the 1970s. Most recently, Indian Point has had radioactive releases, nine unplanned shut downs in an 18-month period (the national average is less than one per reactor), a fire at Unit 3 and broken emergency sirens. The Nuclear Regulatory Commission has given Indian Point's Unit 2 the commission's lowest safety rating for a reactor. Unit 2's "red" rating resulted from a February 2000 release of 20,000 gallons of radioactive coolant into the plant from a ruptured steam generator tube.

**Security:** Many of Entergy's security ads are testimonials showcasing security guards who make non-committal claims that the plant is safe. As one guard states, "I know because it's my job to make it that way." These ads ignore the fact that a number of current and former Indian Point security guards have turned whistleblowers in an effort to alert public officials of grave security problems at the plant.

Substantiating the whistleblowers' claims is a 2002 Entergy-commissioned report that found only 19 percent of security guards felt they could protect Indian Point from a terrorist attack. Many guards were physically unfit to perform their duties, and many repeatedly failed their annual marksmanship tests.

**Energy reliability:** Several studies commissioned by Riverkeeper show the region can not only maintain energy reliability without Indian Point's power but also without exorbitant increases in energy bills. But when Entergy realized that the public was not necessarily buying into its claims that the plant is safe and secure, it shifted focus to a much more complicated - and controversial - issue: energy reliability. It sought to transfer the public's safety and security fears to fears of economic and energy security. In a February 2002 ad, Entergy implied that with Indian Point closed, New York could "head for an energy crisis of California proportions." Ironically, the company offered, "We thought you should know the following. So that your opinion on this important issue can be based on fact, not fear." Not only were their claims not based on fact but they also evoked a fear in the public that has yet to be alleviated: loss of electricity and economic hardship.

For some, this economic fear prevents them from supporting the closure of Indian Point. When Entergy discovered that they had identified the one issue that could - through precise public relations - confuse the public and stall the closure of their aged plants, they forged ahead with a comprehensive PR plan. To thwart the growing movement to close Indian Point, Entergy issued threats of rolling blackouts, skyrocketing energy bills and economic uncertainty to a region already suffering from the 9/11 terrorist attacks.

While Riverkeeper has managed to raise money to run ads countering Entergy's deceptive ads and PR, the environmental group's efforts pale in comparison to the number of ads bought by the multi-billion dollar corporation.

## **Divide & Conquer**

In fall 2003, two key components of this new PR tactic were unleashed on the public: a phony "grassroots" campaign and NY AREA, a coalition comprised of "business, labor and community leaders committed to finding clean, low-cost and reliable electricity solutions that foster prosperity for all." Forming a "grassroots" campaign is a common PR tactic used by corporations under attack. This practice of creating fake grassroots organizations is sometimes referred to as "astroturf" campaigning.

Shortly before regional elections in October, Entergy launched a campaign targeting African-American, Latino and low-income communities. Under the rubric of community outreach and grassroots mobilization, the corporation engaged the help of a front group, the Campaign for Affordable Energy, Environmental and Economic Justice. Riverkeeper could find no evidence of the Campaign's existence prior to its work protecting Indian Point. The astroturf group disseminated bilingual brochures, circulated "Keep Indian Point



Open" petitions and orchestrated citizen phone calls to local officials who were in highly contested re-election campaigns. One of these phone calls, placed by a confused citizen who was being fed information during the call, prompted an elected official to investigate the issue. This investigation led to a complete disclosure of Entergy's latest scheme to hoodwink the public.

This targeted approach was an attempt to divide communities by race, ethnicity and class. Their new, bilingual brochure was filled with hyperbole and fear-mongering, warning that if Indian Point were to close, residents would face skyrocketing electric bills, loss of power to public and private buildings, and the building of dirty power plants in low-income communities and communities of color.

Westchester County Executive Andy Spano found the campaign so "reprehensible" that he wrote a public letter to Michael Kansler, Entergy Nuclear Northeast's President. "Contrary to your intention, what you have really accomplished is to make the people of Westchester even more concerned about Indian Point. Now, in addition to our concerns about the plant's safety, we can all wonder about Entergy's integrity and ethics. I cannot for the life of me understand how a major company like Entergy would resort to tactics that are so offensive." Despite the scolding, Entergy has refused to withdraw its "grassroots" campaign.

A terrorist attack on the Indian Point nuclear power plant could potentially expose millions of people to deadly radiation poison and cause trillions of dollars of damage. (Map provided by Riverkeeper.)

To counter Entergy's PR campaign, Riverkeeper, the Indian Point Safe Energy Coalition, and Communities United for Responsible Energy - one of New York City's largest environmental justice organizations - are providing information about Indian Point and energy reliability to community members. By engaging with the broader community, our alliance is working to bridge the rift that Entergy created with its dubious public relations.

## **Solidifying the Base**

Unfortunately, Entergy's divide and conquer tactics have been somewhat successful. Some who received their misleading literature remain convinced that Indian Point's closure would be devastating to the region. But we at Riverkeeper believe corporate PR campaigns and "grassroots" movements can be countered with real community organizing. By meeting with people in their neighborhood coffee houses and school auditoriums, advocacy groups like ours - with strong social networks and proven track records - are helping build the anti-Indian Point citizen's movement.

With over 20 million people living in the area, there are too many lives at stake to not continue educating the public about the risks associated with Indian Point. "Chernobyl on the Hudson? The Health and Economic Impacts of a Terrorist Attack at Indian Point Power Plant" is a Riverkeeper-commissioned study authored by Dr. Edwin Lyman of Union of Concerned Scientists. Lyman concludes that a successful terrorist attack on Indian Point could cause as many as 518,000 long-term deaths from cancer and as many as 44,000 short-term deaths from acute radiation poisoning within the 50-mile radius of Indian Point, depending on weather conditions. In addition to severe health consequences from a worst-case scenario at Indian Point, the study predicts that economic damages within 100 miles could be as great as \$2.1 trillion based on Environmental Protection Agency guidance for population relocation and cleanup.

*To learn more about Indian Point and Riverkeeper's campaign to shut it down or to receive a copy of "Chernobyl on the Hudson?", visit Riverkeeper's website [http://riverkeeper.org/campaign.php/indian\\_point](http://riverkeeper.org/campaign.php/indian_point).*